

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7711

BILL NUMBER: HB 1543

DATE PREPARED: Jan 11, 1999

BILL AMENDED:

SUBJECT: Developmental disability quality assurance.

FISCAL ANALYST: Ron Sobecki

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill requires the Division of Disability, Aging, and Rehabilitative Services to establish a program to monitor and assure quality in the delivery of services to persons with developmental disabilities. The bill allows the Division to establish the quality assurance program within the Division or by contracting with an outside agency. It requires that the quality assurance program include: (1) training regarding the availability of community based services and the ability to choose among them; (2) response within 24 hours to complaints involving a threat to the life, safety, or health of a person with developmental disabilities; (3) evaluation of financial expenditures for services to persons with developmental disabilities; and (4) establishment of a statewide data base to provide information about the history of service providers.

This bill establishes the Indiana Quality Assurance Council for Persons with Developmental Disabilities. The bill requires the Council to study issues relating to the delivery of services to persons with developmental disabilities. It provides that the Council consists of 18 members, with the chairperson appointed by the Governor, and is to be staffed by the Legislative Services Agency. The bill requires the Council to submit its findings and recommendations to the Governor and the General Assembly before December 1 of each year. (The introduced version of this bill was prepared by the Indiana Commission on Mental Retardation and Developmental Disabilities.)

Effective Date: Upon passage; July 1, 1999.

Explanation of State Expenditures: This bill requires the Division of Disability, Aging, and Rehabilitative Services (DDARS) to establish a program to monitor quality assurance in the delivery of services to persons with developmental disabilities. The bill states the program can developed within DDARS or by contracting with an outside agency. The DDARS recently sent out a broad agency announcement to solicit bids on conducting a similar quality assurance program. There was one response with a cost of \$312,000. This bid did not include all of the items required in this bill. The DDARS does not have the staff or the expertise to conduct such a program in house. The Division of Mental Health has a similar quality assurance program

contracted with an outside entity at a cost of \$400,000. It is estimated that the program would cost between \$312,000 and \$400,000 if contracted with an outside agency. The funds and resources required above could be supplied through a variety of sources, including the following: (1) Existing resources not currently being used to capacity; (2) Existing resources currently being used in another program; (3) Funds that, otherwise, would be reverted; or (4) New appropriations. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend upon legislative and administrative actions.

The bill also creates an 18 member Indiana Quality Assurance Council for Persons with Developmental Disabilities consisting of 4 legislators and 14 lay members. The bill requires the Legislative Services Agency to provide staff to the Council. Current Legislative Council Resolution provides for a budget of \$18,500 for study committees.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Family and Social Services Administration, Division of Disability, Aging, and Rehabilitative Services, Legislative Services Agency.

Local Agencies Affected:

Information Sources: Karen Kinder, Family and Social Services Administration, 232-5652.